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July 14, 1997

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

BY HAND DELIVERY

Mr. William Caton  
Office of the Secretary  
Federal Communications Commission  
1919 M Street, Room 222  
Washington, D.C. 20554

Re: In the Matter of the Pay Telephone Reclassifi-  
cation and Compensation Provisions of the  
Telecommunications Act of 1996, CC Docket  
No. 96-128

Dear Mr. Caton:

Please find enclosed for filing the original and fourteen  
copies of the RBOC Payphone Coalition's Reply Comments on the  
Applications for Review of the Payphone CEI Plan Orders.

Attached is an extra copy to be date-stamped and returned.

Sincerely,

*Michael K. Kellogg*

Michael K. Kellogg

Enclosures

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BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C.

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

Implementation of the Pay Telephone )  
Reclassification and Compensation ) CC Docket No. 96-128  
Provisions of the )  
Telecommunications Act of 1996 )

**THE RBOC PAYPHONE COALITION'S  
REPLY COMMENTS ON THE APPLICATIONS  
FOR REVIEW OF THE PAYPHONE CEI PLAN ORDERS**

In its comments, AT&T raises one argument -- that the Bell operating companies impermissibly omitted to tariff a discrete ANI ii screening code ("70") identifying calls originating on payphones.<sup>1</sup> This argument is procedurally improper and substantively meritless.

I. As the RBOC Payphone Coalition has already explained,<sup>2</sup> the Bell companies make available to independent PSPs the very same screening codes that they provide to themselves. If an RBOC-affiliated PSP orders a COCOT line (as BellSouth does for most of its payphones), that line is identified with a "07" screening code, just as where such a line is used by an independent. Conversely, if an independent PSP uses a coin line, that line is identified with a "27" code, just as where such a line is used by an RBOC-affiliated PSP.

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<sup>1</sup>See AT&T Corp. Comments on Consolidated Application of APCC for Review of CEI Orders, Implementation of the Pay Telephone Reclassification Provisions of the Telecommunications Act of 1996, CC Docket 96-128 (filed July 2, 1997) ("AT&T Comments").

<sup>2</sup>The RBOC Payphone Coalition's Comments on and Oppositions to Applications for Review of the Payphone CEI Plan Orders, Implementation of the Pay Telephone Reclassification Provisions of the Telecommunications Act of 1996 at 12-13, CC Docket 96-128 (filed June 30, 1997) ("RBOC Opp.").

AT&T's fundamental error is its failure to understand that the screening code is determined by the type of line, not the type of user. Since all lines are equally available to all users, the requirements of CEI have been satisfied. The Bureau thus correctly concluded that the Bell companies had satisfied the equal-treatment requirements of Computer III, and that AT&T's demand that LECs reprogram their switches to provide *a new* screening code not currently provided to anyone was beyond the scope of the CEI plan review process. Indeed, AT&T's demand that LEC switches be reprogrammed to identify COCOT lines with a "70" code could not even conceivably be considered a CEI issue, as the "70" code is not a feature or function "underlying" any BOC payphone service offering or "available to" a BOC-affiliated PSP.<sup>3</sup>

Besides, as the RBOC Payphone Coalition already has pointed out -- and AT&T does not deny -- the question of ANI ii codes is not unique to the BOCs. To the contrary, if reprogramming of LEC switches were required, each and every LEC would have to modify its switches to pass new codes. Similarly, all interexchange carriers would have to modify their networks to receive any new screening codes; otherwise, calls identified with the new codes will not go through.<sup>4</sup> As a result, the Commission must address this issue in another proceeding in which all interested parties participate, and not in a proceeding like this one, which is uniquely focused on BOCs and in which many interested parties did not, and reasonably could not be expected to, participate. Recognizing this,

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<sup>3</sup>Computer III requires unbundling of "the basic services and basic service functions that underlie the carrier's enhanced service offering" as well "as any options that are available to a carrier in the provision of such services or functions." Report and Order, Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), 104 F.C.C.2d 958, 1040, ¶ 158 (1986) ("Computer III"); Memorandum Opinion and Order, NYNEX CEI Plan for the Provision of Voice Messaging Services, 4 FCC Rcd 554, 555, ¶ 15 (Com. Carrier Bureau 1989) ("For CEI purposes a BOC must only make available to others the same basic services that it uses . . .").

<sup>4</sup>See LEC ANI Coalition Whitepaper on the Provision of ANI Coding Digits at 9-13 (ex parte filed June 16, 1997) ("LEC ANI Whitepaper").

many parties -- *including AT&T* -- are currently submitting information on ANI ii coding to the Commission as part of the larger payphone rulemaking. See RBOC Opp. at 14-17.

AT&T does not contend otherwise. Instead, AT&T (like the APCC) argues that, in docket number 91-35, the Commission concluded that this issue should be resolved in the payphone proceeding. See AT&T Comments at 3. Even if this were true -- and it is not<sup>5</sup> -- it does not follow that the Commission must address the issue *in the CEI plan review process*. To the contrary, the issue can be considered and is being considered as part of the larger payphone proceeding. Nothing in AT&T's comments suggests that the Bureau erred in so concluding.

If AT&T truly believed that this was a CEI plan review issue, it would have raised the matter in the CEI proceeding itself. It did not. If AT&T truly thought the Bureau's decision erroneous, it would have filed its own application for review. It did not. And if AT&T truly believed that CEI plan review was the best forum for this issue, it would *not* have submitted its comments on the issue *outside* of the CEI plan review process. Yet AT&T did precisely that. Consequently, AT&T's newly-minted position on the scope of CEI plan review must be rejected for what it is -- another opportunistic attempt to avoid paying per-call compensation and to keep as a windfall the rate increases it has justified by citing per-call compensation costs.

**II.** Once again echoing the APCC, AT&T implies (but assiduously avoids stating) that it needs to receive the "70" code to pay per-call compensation; it further argues that the alternative methods of obtaining the same information will be too costly or inconvenient. Because these are not proper CEI plan review issues, and because these contentions have been thoroughly rebutted elsewhere, the Coalition will respond only briefly.

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<sup>5</sup>As the Coalition already has explained, AT&T and the APCC flatly misread the order on which they rely. See RBOC Opp. at 15-17.

As an initial matter, it is simply not true that AT&T or any other carrier needs COCOT lines to be identified with the "70" code to pay per-call compensation. As explained more fully in the LEC ANI Whitepaper (at 9-13), interexchange carriers use the "07"/"27" ANI ii digit codes to identify and segregate calls that may have originated on payphones. Having thus identified all potential payphone calls using the ANI ii digits, the interexchange carrier -- at the end of each billing period -- need only compare the ANIs for these calls on its billing tape against the LEC-provided list of payphone ANIs.<sup>6</sup> For each compensable call that originates from a telephone number that appears on the LEC-provided ANI list, the interexchange carrier pays appropriate compensation to the PSP associated with that ANI. If a call originates from a number not on the LEC-provided ANI list, it did not originate on a payphone line and no compensation is due. This is the procedure that the Commission's payphone orders contemplate, Report and Order at 56, ¶ 110, and it is precisely the procedure a number of carriers -- who have sought waivers to begin paying per-call compensation early -- are ready to use now. See LEC ANI Whitepaper at 5. If companies like Telco, Oncor, and MidCom can do this, AT&T can do so as well.

Thus, AT&T is entirely incorrect to suggest (at 3) that either a database query or FLEX ANI is necessary to track payphone-originated calls or to determine the appropriate amount of compensation for calls originating on COCOT lines. Instead, regardless of whether a payphone-originated call is identified with a "07" or a "27" code, the interexchange carrier must take the very same steps: Isolate the call using the codes, and compare the ANI to the list of payphone ANIs.

AT&T's further suggestion that FLEX ANI and OLNS are too expensive or inconvenient are without merit and have been rejected before. See Third Report and Order, Policies and Rules

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<sup>6</sup>The Commission has required that LECs make available a list of payphone ANIs on a quarterly basis. See Report and Order at 57, ¶ 112.

Concerning Operator Service Access and Pay Telephone Compensation, 11 FCC Rcd 17021, 17036, ¶ 27 (1996) (rejecting the same arguments). Indeed, AT&T's estimate of its costs are dwarfed by how much it would cost LECs to reprogram their switches to provide the "70" code that AT&T demands. LEC ANI Whitepaper at 11. For this very reason, the Commission previously rejected "as infeasible" the very solution AT&T insists upon here:

The ANI ii technology is only capable of offering five codes at the present time and we do not believe that it will be economically feasible for the LECs to provide additional OLS codes with that technology.

11 FCC Rcd at 17036, ¶ 26. AT&T does not mention this finding in its submission, much less address it. Nor does AT&T address the costs that would be imposed on other interexchange carriers if they were forced to alter their networks because of the adoption of a solution that AT&T, and AT&T alone, demands. LEC ANI Whitepaper at 12-13.

Even to discuss AT&T's arguments, however, is to give them too much credence. For the reasons explained above, the coding digit question is not a CEI plan issue. AT&T knows this, as it did not even raise the coding digit question in the CEI plan review process. It should not be permitted belatedly to inject the issue now.

Respectfully submitted,



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Counsel for the RBOC Payphone Coalition

July 14, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 14th day of July, 1997, I caused copies of the foregoing RBOC PAYPHONE COALITION'S REPLY COMMENTS ON THE APPLICATIONS FOR REVIEW OF THE PAYPHONE CEI PLAN ORDERS to be served upon the parties listed below by hand-delivery or overnight mail.

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